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Letters to the Editor

"Growthmanship Again"

Your recent editorial, "Growthmanship Again" (Oct. 19) is a good statement for the need of well balanced as well as rapid economic growth.

However the vaguely comforting "reason" given for the Soviet economic pace is oversimplified: "... the obvious reason for it is that the Soviet Union started from a much lower base." I would like to raise the following points:

Can the past rapid economic gains of the Soviet Union in fact be explained primarily in terms of its "low base"?

According to CIA Director Allen Dulles, testifying on Nov. 13, 1959, before the Joint Economic Committee: "The official myth about the relative backwardness of Imperial Russia has been deliberately created so that Communist economic achievements will appear to be even greater than in fact they have been. The weight of evidence as I see it, would place pre-revolutionary Russia as the sixth or seventh largest industrial power of its time..."

Now that the U. S. S. R. is indisputably the second greatest industrial power in the world, the "low base argument" is further strained. A published report to the Joint Economic

Committee by the CIA in co-operation with the Departments of State and Defense concludes that Russia's rate of industrial production, which is put at 10 per cent annually for 1950-59, will probably average only 8.6 per cent a year during 1959-65.

U. S. industrial production increased at the rate of about 4 per cent annually during 1950-59 (only 2.2 per cent during 1955-59); the CIA projects it at 4.5 per cent between 1959 and 1965. Based on the CIA data, Soviet industrial production rose from about 21 per cent of the United States in 1950 to 35 per cent in 1959 and would be 48 per cent in 1965.

Worse, CIA estimates indicated that the total industrial production of the entire Communist bloc, including the European satellites and (truly "low base") Red China, was about 38 per cent of the United States in 1950, 62 per cent in 1959 and would be 86 per cent in 1965.

In view of the size of these past and projected future Communist gains, and their priorities for military expenditures and programs of economic penetration into underdeveloped countries, I can take little comfort from the "low base argument."

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